

COMMONWEALTH OF VIRGINIA
WORKFORCE INVESTMENT ACT
VIRGINIA EMPLOYMENT COMMISSION

FIELD GUIDANCE MEMORANDUM #02-04

TO: LOCAL WORKFORCE INVESTMENT BOARDS

FROM: WIA DIVISION

SUBJECT: LOCAL AREA WIA FUNDS TRANSFER PROCEDURES

REVISION EFFECTIVE DATE: SEPTEMBER 23, 2005

Replaces Original Guidance Issued on MAY 22, 2002

Background:

The Workforce Investment Act (WIA) provides local workforce investment boards (LWIBs) with the flexibility to transfer funds between the adult and dislocated worker programs. The ability to transfer funds gives LWIBs funding flexibility when local circumstances warrant. Section 667.140 (Workforce Investment Act Final Rules) permits LWIBs to transfer up to twenty-percent (20%) of a program year allocation for adult employment and training activities, and up to twenty-percent (20%) of a program year allocation for dislocated worker activities between the two programs. There is no provision to allow transfers to or from the youth program. Ten-percent (10%) of the total allocation of youth (Section 128(b)), adult and dislocated workers (Section 133 (b)) for administration cannot be exceeded as a result of the transfer of funds between the adult and dislocated workers programs.

Additional Transfer Flexibility Granted to the Commonwealth of Virginia:

On August 3, 2005, the Commonwealth received waiver approval from the United States Department of Labor (USDOL) to allow LWIBs the ability to transfer up to 100% of local area allocations between the WIA Adult and Dislocated Worker programs.

Funds transfers, up to the 100% limitation authorized for the originating program (adult programs or dislocated worker programs), can be made at any time during the life of the funds.

This waiver will allow local boards more flexibility in providing services based upon local need and demand. Program needs change quickly at the local level. Each of Virginia's 17 local areas serves diverse groups of job seekers and businesses, from urban, suburban and rural perspectives. Changes in regional economies can often place increased demands on dislocated worker funds, and likewise, continued reductions in adult program funding can limit some areas in serving those adults most in need.

PROCEDURE FOR TRANSFERRING FUNDS – WRITTEN REQUEST

LWIBs may submit a written request to transfer funds between the adult and dislocated worker programs throughout the program year. However, requests will not be accepted between June 15 and 30 of each year due to closeout processes.

Transfer requests in excess of 50% of the remaining fund balance at the time of the request for either program must include a description of the expected impact to the program that funds are being moved from and verify and/or include documentation that the decision was made at a meeting of the LWIB or one of its committees. This will indicate that the LWIB has weighed the pros and cons of program impacts that may result from such a transfer.

LWIBs must submit their written request to transfer funds to the WIA Division Director for administrative review and approval on behalf of the Governor for purposes of the WIA (CFR 667.140 (b)). The WIA Division will verify with the Virginia Employment Commission (VEC) Finance Division that the funds transfer request does not exceed the funding availability per program year allocation. LWIBs receiving an approved funds transfer will receive a revised NOO from the VEC Finance Division. A copy of the revised NOO will be provided to the WIA Division for monitoring purposes.